

Merrett R. Stierheim, Superintendent of Schools

SUBJECT: REQUEST FOR ADDITIONAL FEES OF \$31,500 FOR THE EXTERNAL INDEPENDENT AUDITING FIRM OF ERNST & YOUNG, LLP TO PERFORM OUT-OF-SCOPE AUDIT PROCEDURES RELATED TO CONSTRUCTION IN PROGRESS BEGINNING BALANCES AND OTHER RELATED CAPITAL ASSET ACCOUNTS

This request for payment for out-of-scope additional work was presented and approved by the School Board Audit Committee at its November 25, 2003 meeting. These fees are for additional audit procedures required to ensure that significant beginning account balances are fairly stated and enable Ernst & Young, LLP (E&Y) to express an opinion on the fairness of the financial statements for the School Board of Miami-Dade County as of and for the year ended in June 30, 2003.

E&Y's compensation is in accordance with the following hourly scale, included in the contract previously recommended by the Audit Committee and approved by the School Board at its meeting of March 12, 2003, Agenda item A-3:

Classification	Hourly Rate
Partner	\$260
Manager	\$175
Senior	\$110

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. authorize payment to Ernst & Young, LLP, for out-of-scope audit procedures related to construction in progress beginning balances and other related capital asset accounts in an amount not-to-exceed \$31,500;
2. direct the Superintendent to increase appropriations up to \$31,500 from the Board's contingency.